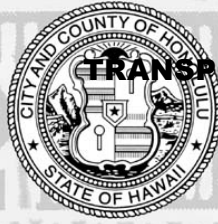


NEWS RELEASE



**DEPARTMENT OF
TRANSPORTATION SERVICES**
CITY AND COUNTY OF HONOLULU

FOR IMMEDIATE RELEASE

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HONOLULU RAIL TRANSIT PROJECT RECEIVES KEY COUNCIL PERMIT APPROVAL

(Wed., Jan. 26, 2011) — The Honolulu Rail Transit Project received a key permit approval today from the Honolulu City Council that allows the project to begin early construction activities.

The City Council voted 8-0 to approve the Special Management Area Use Permit (SMP), which allows the City to move ahead with the construction permitting process for the rail project. Initial work for the rail project will begin shortly with the relocation of utilities and site preparation for the eventual construction of the elevated rail guideway.

The City Department of Planning and Permitting, which oversees the SMP process, recommended City Council approval of the permit. The permit application concluded the rail project will have no significant adverse environmental or ecological effects on coastal ecosystems, beaches or other coastal resources.

About 1.6 miles of the 20-mile Honolulu Rail Project route will be inside the Special Management Area district, with a 2.8-mile portion of the rail transit route bordering the district.

The permit approval follows the Federal Transit Administration issuing a Record of Decision last week for the Honolulu Rail Transit Project, confirming that the project has met all the requirements of the environmental review process.

In December, Governor Neil Abercrombie accepted the project's Final Environmental Impact, which identified environmental, community and economic benefits and impacts of the rail system as well as mitigation measures for addressing these issues.

The City has already awarded a construction contract for the first phase of the elevated rail guideway from East Kapolei to Pearl City. A second contract for the train storage and maintenance facility in Waipahu is expected to be executed shortly.

The city is scheduled to award two more major construction contracts this year for the second phase of the rail route from Pearl City to Aloha Stadium and for the "core systems," which consists of the train vehicles and the control center for the rail system.